STAND. COM. REP. NO.

Honolulu, Hawaii FEB 2 6 2010

RE: S.B. No. 2797 S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2797, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUSTS,"

begs leave to report as follows:

SB2797 SD2 SSCR LRB 10-1934-1.doc

The purpose of this measure is to extend the authority for voluntary employees' beneficiary association trusts until July 1, 2012.

Your Committee received written comments in support of this measure from one hundred and twenty-seven concerned individuals. Comments in opposition to the measure were submitted by the Department of Budget and Finance and one concerned individual. The Office of the Auditor submitted comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that a voluntary employees' beneficiary association trust provides health benefits for state or county employees of a particular collective bargaining unit, as well as existing retirees of that bargaining unit. Your Committee also finds that there are certain issues regarding these trusts that remain unresolved and that additional time is necessary to decide the fate of voluntary employees' beneficiary association trusts.

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Your Committee has amended this measure by:

SB2797 SD2 SSCR LRB 10-1934-1.doc

- Clarifying that the repeal and reenactment date of section 89-9, Hawaii Revised Statutes, is July 1, 2012; and
- (2) Changing the effective date to June 30, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2797, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2797, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONNA MERCADO KIM, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* Committee Referral: Date:				
SE 2797, SDI EDHILPE, WAM 2-24.10				
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	1			
TSUTSUI, Shan S. (VC)	1			
CHUN OAKLAND, Suzanne	1			
ENGLISH, J. Kalani	1			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood				
HEE, Clayton	,			
HOOSER, Gary L.				
KIDANI, Michelle N.				
KOKUBUN, Russell S.			1	
TOKUDA, JIII N.				
HEMMINGS, Fred				
TOTAL	10	0		n de la composition de la comp
Recommendation:				
Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				
*Only <u>one</u> measure per Record of Votes				